



**QUICK TAX FACTS**  
**2025**



## 2024 FEDERAL AND BRITISH COLUMBIA PERSONAL TAX CREDITS

Amount of credits:	NOTES	FEDERAL	BC
Tax rate applied to credits		15.00%	5.06%
Basic personal		\$15,705	\$12,580
Spousal/partner and wholly dependent person	1	15,750	10,772
Dependants/Canada and BC Caregiver   18 and over	1	8,375	5,505
Adoption	2	19,066	19,066
Disability		9,872	9,435
Disability supplement	3	5,758	5,505
Pension (max)		2,000	1,000
Age 65 and over	4	8,790	5,641
Medical expense threshold	5	2,759	2,616
Employment	6	1,433	—
Canada Pension Plan contributions (max)		4,056	4,056
Employment Insurance premiums (max)		1,049	1,049
Home buyers (max)	7	10,000	—
Home accessibility (max)	8	20,000	1,000
Tuition fees	9	Yes	Yes
Education (Full-time/Part-time — per month)	10	—	—
Charitable donations (Credit rate on first \$200)		15.00%	5.06%
Charitable donations (Credit rate on balance)	11	29% / 33%	16.8% / 20.5%

- The value of these tax credits are reduced whenever the dependant's income exceeds specific threshold amounts; the thresholds are (Federal/BC) \$0 / \$1,078 for Spouse or Common-Law Partner and \$19,666 / \$18,629 for the Canada and BC Caregiver Credit.
  - The adoption credit is available on eligible adoption expenses incurred in the year and not reimbursed to the taxpayer, up to the maximum amount indicated in the table.
  - The disability supplement may be claimed by an individual who is under the age of 18 at the end of the year. The amount in the table represents the maximum amount that may be claimed, and is reduced by certain child and attendant care expenses claimed in respect of this individual.
  - The Age credit begins to reduce when the taxpayer's net income reaches \$44,325 / \$41,993 (Federal/BC) and is fully reduced at \$102,925 / \$79,600.
  - The medical expense credit is calculated based on qualified medical expenses exceeding 3% of net income or the threshold shown in the table, whichever is less. Medical expenses incurred by both spouses/partners and by their children under age 18 may be totalled and claimed by either spouse/partner. Taxpayers can also claim medical expenses for other eligible dependants to the extent the amount exceeds the lesser of 3% of net income of the dependant or the threshold shown in the table.
  - The federal employment credit may be claimed by individuals based on the lesser of the amount indicated in the table and the amount of employment income earned in the year.
  - First-time home buyers who acquire a qualifying home during the year may be entitled to claim a federal non-refundable tax credit up to \$10,000 and be worth up to \$1,500 (\$10,000 x 15%). To qualify, neither the individual nor his or her spouse or common-law partner can have owned and lived in another home in the calendar year of the new home purchase or in any of the four preceding calendar years. The credit can be claimed by either the purchaser or by his or her spouse or common-law partner. The credit will also be available for certain home purchases by or for the benefit of an individual eligible for the disability tax credit.
  - The home accessibility tax credit provides a credit for qualifying expenses incurred for work performed or goods acquired in respect of a qualifying renovation of an eligible dwelling of someone who is 65 years or older before the end of the taxation year or eligible for the disability tax credit. British Columbia provides a refundable credit of up to \$1,000 for similar expenses.
  - The eligible portion of the tuition and education tax credits are transferable to a spouse or common-law partner, parent or grandparent. Any amounts not transferred may be carried forward.
  - The federal government eliminated the education tax credits effective January 1, 2017 and British Columbia eliminated the province's education tax credits effective January 1, 2019.
  - The donation tax credit rate of 33% / 20.5% applies to charitable donations over \$200 to the extent that the taxpayer's income is subject to the top tax rate of \$246,752 / \$252,752 (Federal/BC). Otherwise, the rate of 29% / 16.8% applies to donations over \$200.
- OAS claw back begins at \$90,997 and is fully recovered at \$148,065.

## INDIVIDUAL MARGINAL RATES - 2024

Taxable Income	Income	Eligible Dividends	Regular Dividends
First \$47,937	20.06%	0.00%	10.43%
\$47,937 - \$55,867	22.70%	0.00%	13.47%
\$55,867 - \$95,875	28.20%	1.63%	19.80%
\$95,875 - \$110,076	31.00%	5.49%	23.02%
\$110,076 - \$111,733	32.79%	7.96%	25.07%
\$111,733 - \$133,664	38.29%	15.55%	31.40%
\$133,664 - \$173,205	40.70%	18.88%	34.17%
\$173,205 - \$181,232	44.02%	23.46%	37.99%
\$181,232 - \$246,752	46.12%	26.36%	40.41%
\$246,752 - \$252,752	49.80%	31.44%	44.64%
Over \$252,752	53.50%	36.54%	48.89%

## 2024 TAXABLE INCOME WITH BASIC EXEMPTION

Taxable Income	Total Tax	Taxable Income	Total Tax	Taxable Income	Total Tax
10,000	—	34,000	3,828	80,000	15,229
11,000	—	36,000	4,229	82,500	15,934
12,000	—	38,000	4,631	85,000	16,639
13,000	21	40,000	5,032	90,000	18,049
14,000	72	42,000	5,433	95,000	19,459
15,000	122	44,000	5,834	100,000	20,985
16,000	217	46,000	6,235	105,000	22,535
17,000	418	48,000	6,638	110,000	24,085
18,000	619	50,000	7,092	115,000	25,903
19,000	819	52,000	7,546	120,000	27,817
20,000	1,020	54,000	8,000	125,000	29,732
21,000	1,220	56,000	8,461	130,000	31,646
22,000	1,421	58,000	9,025	140,000	35,628
23,000	1,622	60,000	9,589	150,000	39,698
24,000	1,822	62,000	10,153	175,000	49,933
25,000	2,023	64,000	11,717	200,000	61,331
26,000	2,223	66,000	11,281	225,000	72,860
27,000	2,424	68,000	11,845	250,000	84,508
28,000	2,625	70,000	12,409	300,000	111,156
29,000	2,825	72,500	13,114	500,000	218,156
30,000	3,026	75,000	13,819	750,000	351,906
32,000	3,427	77,500	14,524	1,000,000	485,656

\* Tax computations reflect general employment income with applicable credits for basic personal exemption, Canada employment amount, CPP and EI credits. Other credits may apply.

## GOODS & SERVICES / HARMONIZED SALES TAX RATES

- 15% HST in Nova Scotia, New Brunswick, Prince Edward Island, and Newfoundland & Labrador (effective Oct 1/16)
- 13% HST in Ontario
- 5% 5% GST in BC and all other provinces and the territories

## 2024 DIVIDEND INCOME WITH DIVIDEND TAX CREDIT

Actual Dividend	Regular Dividend	Eligible Dividend	Actual Dividend	Regular Dividend	Eligible Dividend
20,000	76	—	100,000	13,264	3,579
30,000	433	—	125,000	21,356	7,367
40,000	1,180	—	150,000	29,898	12,276
50,000	2,565	—	200,000	49,888	23,742
60,000	4,544	—	250,000	72,872	42,013
70,000	6,523	—	500,000	195,088	133,370
80,000	8,503	622	750,000	317,304	224,726
90,000	10,695	2,064	1,000,000	439,520	316,083

\* Tax calculations are based on applicable gross-up amounts and include the basic exemption only.

## 2024 MAJOR TAX CHANGES

- ◊ Federal Budget 2024 proposed an increase to the capital gains inclusion rate from 50% to 2/3rds for corporations and trusts, and the same increase for individuals for the portion of capital gains realized exceeding \$250,000 annually. This increase applies to capital gains realized on or after June 25, 2024.
- ◊ The new Canadian Entrepreneurs' Incentive allows an individual to utilize a lower, 1/3 capital gains inclusion rate up to a lifetime limit of \$2 million in gross capital gains on the disposition of qualifying shares. Among other requirements, the individual must have been a "founding" investor at the time the corporation was initially capitalized and have held the shares for at least five years prior to the sale.
- ◊ For Employee Ownership Trusts (EOT), additional details were provided on the conditions that a taxpayer must satisfy to claim the up to \$10 million temporary capital gains exemption on the sale of a business to an EOT.
- ◊ Several exemptions were proposed to reduce the requirement for trusts, including bare trusts, to file a T3 tax return and related schedules. These exemptions include a new minimum filing threshold of \$250,000 for trusts where all trustee(s) and beneficiaries are individuals (and not corporations) and are related to each other, a minimum threshold of \$250,000 for specific client trust accounts that hold only cash (other than trusts that are required under the relevant rules of professional conduct or laws of Canada), expanding the type of assets that qualify for the exemption as a *small trust* (under \$50,000 in assets), and an extension to the 2024 taxation year for bare trusts to be exempt from filing a T3 return.
- ◊ Further changes to the Alternative Minimum Tax (AMT) including allowing taxpayers to claim 80% of charitable donation tax credits (from 50% previously proposed), fully exempt EOTs from the AMT, and other changes.
- ◊ The Lifetime Capital Gains Exemption room will be increased to \$1,250,000 (from \$1,016,836) for dispositions of qualifying private corporation shares on or after June 25, 2024. The exemption room will continue to be indexed in 2026 and onwards.
- ◊ As at the time of printing, certain draft legislation for the changes noted above, including the capital gains inclusion rate changes, have not yet been enacted.
- ◊ The 2024 RRSP contribution limit of \$31,560 is reached with earned income of \$175,333 (18% of earned income in previous year, for 2023 - \$30,780 and \$171,000, respectively).
- ◊ The 2024 TFSA contribution limit is \$7,000. If no contributions have been made, cumulative amount available is \$95,000 (2023 - \$88,000).

## PRESCRIBED INTEREST RATES

	RECEIVER GENERAL PAYMENTS		ALL OTHER PURPOSES
	Taxes Owing	Tax Refund	
2023 - Q1	8%	4%	6%
2023 - Q2, Q3, Q4	9%	5%	7%
2024 - Q1, Q2	10%	6%	8%
2024 - Q3, Q4	9%	5%	7%

## CORPORATE TAX RATES

### COMBINED FEDERAL AND BC TAX RATES

Active business income up to \$500,000	Active business income over \$500,000	Investment Income
11.00%	27.00%	50.70%

## BENEFITS / COST OF INCORPORATION

### EFFECTIVE TAX RATES - INCOME EARNED IN CCPC AND FULLY DISTRIBUTED TO INDIVIDUAL

ACTIVE BUSINESS INCOME		CAPITAL GAINS (Note 1)	INVESTMENT INCOME	
< \$500,000	> \$500,000	Non-Eligible Dividends	Eligible Dividends	Non-Eligible Dividends
54.51%	53.67%	39.42%	49.23%	59.11%

### TAX SAVINGS (COSTS) OF INCORPORATION

(1.01%)	(0.17%)	(3.75%)	4.27%	(5.61%)
---------	---------	---------	-------	---------

### TAX-DEFERRAL (PRE-PAYMENT) OF INCORPORATION

42.50%	26.50%	1.85%	2.80%	2.80%
--------	--------	-------	-------	-------

**Note 1:** New for 2024, these rates assume that the individual has capital gains of at least \$250,000 from other sources. The cost of incorporation is higher if this is not the case.

## WITHHOLDING TAX RATES

	Interest Note 1	Dividends Note 2	Royalties Note 3	Pensions/Annuities Note 4
China	10%	10/15%	10%	25%
Hong Kong	10%	5/15%	10%	25%
United Kingdom	10%	5/15%	0/10%	0/10/25%
USA	0%	5/15%	0/10%	15/25%

**Note 1:** Canada imposes no domestic withholding tax on certain arm's length interest payments, however non-arm's length payments are subject to a 25% withholding tax.

**Note 2:** The withholding tax rate varies depending on the percentage ownership of the total issued capital or voting rights in respect of shares owned by the recipient.

**Note 3:** The withholding tax rate varies depending on the attributes of the payments.

**Note 4:** The withholding tax rate varies depending on, among other attributes, whether the payment is a lump-sum or periodic payment, or if the payment is a pension or annuity.

*The information in this booklet is general in nature; it discusses tax rates and planning matters in a broad sense in effect as of December 31, 2024. Consult your Rise CPA office in order to receive specific advice appropriate to your situation.*

## 2024 AUTOMOBILE DEDUCTION LIMITS

Effective January 1, 2024, the following passenger vehicle limits apply: Maximum cost for CCA purposes will increase to \$37,000 plus taxes (\$61,000 for eligible zero emission passenger vehicles). The ceiling on deductible leasing costs will increase to \$1,050 plus taxes from \$950. The limit on allowable interest deductions for amounts borrowed to purchase an automobile will increase to \$350 per month. The limit on tax-exempt kilometer allowances increases to \$0.70 for the first 5,000 kilometres driven and \$0.64 for each additional kilometre.

## 2024/2025 PAYROLL DEDUCTIONS

		2024	2025
CPP	Max Pensionable Earnings	\$73,200.00	\$79,400.00
	Basic Annual Exemption	\$3,500.00	\$3,500.00
	Contribution Rate	5.95%	5.95%
	Max Employee/Employer Contribution	\$4,055.50	\$4,327.00
* Starting in 2024, earnings between \$68,500 and \$73,200 are subject to a separate contribution rate of 4%.			
EI	Max Insurable Earnings	\$63,200.00	\$65,700.00
	Premium Rate (Employee)	1.66%	1.64%
	Max Employee Annual Premium	\$1,049.12	\$1,077.48
	Max Employer Annual Premium	\$1,468.77	\$1,508.47

## RRIF MINIMUM WITHDRAWAL RATES FOR AGE AT DEC 31

Age	%	Age	%	Age	%	Age	%
71	5.28	77	6.17	83	7.71	89	10.99
72	5.40	78	6.36	84	8.08	90	11.92
73	5.53	79	6.58	85	8.51	91	13.06
74	5.67	80	6.82	86	8.99	92	14.49
75	5.82	81	7.08	87	9.55	93	16.34
76	5.98	82	7.38	88	10.21	94	18.79
* Under 71 + 1/(90-Age attained at beginning of year)						95+	20.00

## EMPLOYER HEALTH TAX

Effective January 1, 2019 the BC government introduced an Employer Health Tax to offset the elimination of MSP premiums. Employers include an individual, a corporation, a partnership, or a trust. In the case of a joint venture, the venturers individually are considered to be the employers.

Starting in 2024, the full exemption from EHT is reached at \$1,000,000 of remuneration, up from \$500,000 in 2023.

	BC REMUNERATION		
	Under \$1,000,000	Between \$1,000,000 and \$1,500,000	Over \$1,500,000
2024	—	5.85% x (Total BC Remuneration less \$1,000,000)	1.95% x Total BC Remuneration

## PLANNING AND FILING DEADLINES IN 2025

---

**February 2:** File annual declaration for Vancouver Empty Homes Tax.

**February 28:** Last day to issue T4s, T4As, and T5s.

**March 1:** Last day to make personal and spousal RRSP contributions applicable to the 2024 taxation year.

**March 15, June 15, September 15 & December 15:** Quarterly installments for individual taxpayers who are required to remit quarterly.

**March 31:** File Trust Income Tax Return for 2024 and remit balances due, if any, to CRA.

**March 31:** File annual declaration for BC Speculation and Vacancy Tax.

**April 30:** File Underused Housing Tax return and remit amount due, if any, to CRA.

**April 30:** File Personal Income Tax Returns for 2024 and remit balance due, if any, to CRA.

**June 15:** Due date for T1 Personal Tax Returns of individuals or spouses/common-law partners of individuals with self-employed business income. (Payment of tax balance still due by April 30).

**December 31:** Deadline for RRSP contributions in the year a taxpayer turns 71. This is also the deadline for converting RRSPs into RRIFs or Life Annuities for taxpayers that turned 71.

### Taxation

Our experienced tax advisors can help you navigate the ever changing world of personal, corporate, estate, trust and international tax regulations while maximizing your tax savings.

### Financial Statements

We don't just look at the numbers – we look at the big picture and help you report, interpret and use those numbers to ramp up your business and increase your profitability.

### Estates & Trusts

Our estate and trust advisors at Rise will treat the planning and administration of your estate with the utmost professionalism and personalized care it deserves.

### Business Advisory Services

Whether you want to ensure that your new venture is on the right path to success, or you want your established business to gain a competitive edge, you're in good hands with Rise.

### Transaction Advisory Services

Whether you are selling all or part of your business, expanding, or partnering, we can help. With our extensive experience in facilitating transactions, we can assist in putting together the right deal.

### US Tax Services

Our US tax compliance team and affiliated firms can assist you with the preparation and filing of your US Federal and State personal and corporate income tax returns and elections. Additionally, we can advise on matters related to cross-border implications and issues.

## GOVERNMENT / CRA CONTACT

---

CRA - Individual Taxes	1-800-959-8281
CRA - Business Services	1-800-959-5525
HRDC - CPP/OAS/GIS	1-800-277-9914
PST Hotline	1-877-388-4440

# Get proactive, professional accounting, business and tax advice to help you make the right decisions at the right time.

## Our Professional Services Include:

### Accounting & Assurance

- ✦ Compilation of Financial Statements
- ✦ Review of Financial Statements
- ✦ Auditing

### Business Advisory

- ✦ Estate Planning & Compliance
- ✦ Succession Planning
- ✦ Business Improvement
- ✦ Business Diagnostic
- ✦ Strategic Planning
- ✦ Business Improvement Initiatives
- ✦ Analytics & Reporting Solutions
- ✦ Technology Advisory
- ✦ Profitable Modeling

### Taxation

- ✦ Canadian Personal & Corporate Tax Compliance
- ✦ US Personal & Corporate Tax Compliance
- ✦ Tax Planning
- ✦ International Tax
- ✦ Sales Tax
- ✦ Strategic Tax Structuring
- ✦ Pre-Acquisition Preparation
- ✦ Post-Acquisition Integration
- ✦ Transaction Advisory
- ✦ Divestitures
- ✦ Acquisitions
- ✦ Merger & Joint Ventures
- ✦ Investment Structuring
- ✦ Other Transactions



Unit 103, 200 Bernatchey Street  
Coquitlam BC V3K 0H8

**Office:** 604.936.4377

**Fax:** 604.936.8376

**riseadvisors.ca**